
SENATE BILL No. 487

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-3-8.5; IC 6-1.1-3-8.7.

Synopsis: Assessment of personal property. Provides that the assessed value for property tax purposes of: (1) personal property construction in process is ten percent of cost; and (2) special tools is the value determined under the Internal Revenue Code in effect on January 1, 2002.

Effective: January 1, 2002 (retroactive).

Kenley

January 14, 2002, read first time and referred to Committee on Finance.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE BILL No. 487

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-3-8.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 8.5. (a) For purposes of**
4 **this section, "construction in process" means tangible personal**
5 **property not placed in service, as defined in rules of the**
6 **department of local government finance.**

7 **(b) The assessed value of construction in process is ten percent**
8 **(10%) of the cost recorded on the taxpayer's books and records**
9 **that is attributable to the personal property, including all expenses**
10 **incurred in acquiring or producing the personal property.**

11 SECTION 2. IC 6-1.1-3-8.7 IS ADDED TO THE INDIANA CODE
12 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
13 JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 8.7. (a) For purposes of**
14 **this section, "special tools" means special tools subject to**
15 **depreciation for federal income tax purposes under the Internal**
16 **Revenue Code in effect on January 1, 2002.**

17 **(b) The assessed value of special tools is the value determined**



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1 under the method of depreciation and valuation used for federal
2 income tax purposes under the Internal Revenue Code in effect on
3 January 1, 2002.

4 SECTION 3. [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]

5 (a) IC 6-1.1-3-8.5 and IC 6-1.1-3-8.7, both as added by this act,
6 apply to assessments for assessment dates after February 28, 2002.

7 (b) This SECTION expires January 1, 2003.

8 SECTION 4. An emergency is declared for this act.

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